



Submission: Developing the National Housing and Homelessness Plan

Airbnb welcomes the opportunity to contribute to the Australian Government National Housing and Homelessness Plan (the Plan) and commends the Commonwealth for setting out strategies for how all levels of government can work together on this important issue.

Short-term rental accommodation (“STRA”) continues to make strong contributions to local communities, ensuring that more and more locations around Australia can enjoy the benefits and windfalls of the visitor economy, as well as empowering more Australians to share their homes to supplement their income to help make ends meet.

While short-term rentals are not the root cause of the housing affordability crisis, we believe there is more we can do to make a positive difference, including through the advocacy of policies that promote responsible tourism and the creation of new housing.

As a company with housing affordability and cost of living needs in our roots, Airbnb is keen to continue working constructively with governments to support the development of evidence-based policy settings that deliver positive outcomes for homeowners, renters, local jobs, and the broader economy.

About Airbnb

Airbnb was born in 2007 when two Hosts welcomed three guests to their San Francisco home, and has since grown to over 4 million Hosts who have welcomed more than 1.5 billion guest arrivals across over 220 countries and regions. Travel on Airbnb keeps more of the financial benefits of tourism with the people and places that make it happen.

Short-term rental accommodation and the housing market

At its core, the issue of housing is challenging and complicated. The causes of housing or rental availability and affordability differ from place to place, with legacy factors – which often pre-date the founding of Airbnb by decades – ranging from the supply of new homes, the ratio of affordable to social housing stock, demographic changes, the number of empty dwellings and rooms, shrinking household sizes, migration, interest rates, taxation settings, as well as state and federal policy and broader economic conditions. These factors have been growing steadily and shaping the nation’s housing market since before Airbnb was founded.

In the context of this, we note the Queensland Government has recently completed a review of the impact of short-term rentals on the Queensland housing market.¹ Notably, the report found

¹ Queensland Government, Office of the Deputy Premier, ‘[Short-term Rental Accommodation Review complete](#)’, 2 August 2023.

that short-term rentals are only having a limited impact on rental affordability. This report found that an increase of 10 per cent in the total number of STRA listings could lead to a contribution in the range of 0.2 to 0.5 per cent towards rent price changes. Comparatively, a 10 per cent increase in the overall number of dwellings could lead to a noteworthy decrease in rental prices, ranging from 1 to 2 per cent. The review concluded that “dwelling supply has the greatest impact on rental affordability.”²

While STRA provided by platforms like Airbnb generally comprises a tiny proportion of the overall property market, we are keen to help [find ways](#) to make a positive contribution to housing issues. In October 2022, Airbnb proposed a series of measures that will help build stronger communities, foster sustainable tourism growth, and equip governments across Australia with tools to help address important issues, such as housing affordability and amenity. [These proposed measures](#) include:³

- The introduction of mandatory, industry-wide statewide registration systems in states and territories that don’t currently have them. Transparency over the number and location of listings is vital to understanding the industry, and for governments to be able to make evidence-based policy decisions.
- The introduction of statewide Codes of Conduct that establish clear standards of behaviour for all industry participants — guests, Hosts and STRA platforms.
- Support for a sustainable tourism levy, paid by guests, to fund community infrastructure — for example, key worker housing projects — in communities which face unique challenges created by over-tourism. Airbnb proposes that these levies would work most effectively on an opt-in basis at the local government level and applied to all accommodation providers to fund much-needed community infrastructure and services. The governments of [Scotland](#) and [Wales](#) are currently proposing similar visitor levies collected by local councils to collect funds for investing in local facilities and services. Tourism levies are currently in place in countries and cities across the world, generating much-needed revenue for local communities. As of 31 December 2022, Airbnb has collected and remitted over \$7B (USD) in tourism taxes globally.⁴
- Support for appropriate eviction protection reviews in states and territories where required, to identify any potential shortcomings in the regulatory frameworks that protect long-term tenants.

Sustainable regulation of the short-term accommodation industry

Airbnb strongly supports statewide frameworks for regulation of the short-term rental accommodation sector, as have been implemented in New South Wales and Tasmania. In both

² As above.

³ [Airbnb proposes new measures to help build sustainable travel and stronger communities in Australia](#), 12 Oct 2022.

⁴ <https://news.airbnb.com/about-us/>

states, booking platforms including Airbnb continue to share data with the government to help ensure that policymakers have a clear understanding of the prevalence of short-term rental accommodation in local communities. This in turn helps to ensure that policy settings are fit-for-purpose and appropriately calibrated into the future. Airbnb continues to work collaboratively and constructively with both governments to support compliance and enforcements of their frameworks.

It is our view that state and territory governments remain best placed to have oversight of the sector to ensure that regulatory settings are holistic in reflecting community needs. Statewide regulatory frameworks for short-term rental accommodation provide much-needed certainty and consistency for Hosts, guests and the broader community. Such a framework helps build and support a dynamic, growing visitor economy that drives innovation and entrepreneurialism, increases capacity to deliver new or expanded major events, and benefits communities through sustainable tourism.

Case study: New South Wales

Airbnb has helped the NSW Government implement a robust framework which strikes the balance between protecting the choice of people to responsibly share their homes, whilst protecting residential amenity and allowing for sustainable growth for both the industry and communities. The framework provides transparent and uniform rules that apply across the state, with the ability for local government areas to address local nuance. An industry-wide registration scheme provides the NSW Government with critical data to make informed policy decisions on both tourism and housing policy. This operates alongside a Code of Conduct to set clear behavioural expectations for all industry participants, backed by an enforceable [Exclusion Register](#), which can ban participants from using all STRA platforms for five years under a 'two-strike' model.

Case study: Tasmania

Since 2019, Airbnb has been working with the Tasmanian Government to support the implementation of the State's registration and data sharing arrangements for short-stay accommodation.⁵ Under the framework, hosts in Tasmania are required to register for a permit with their local council or claim an exemption if their listing is eligible. Booking platforms are also required to share data with the Tasmanian Government on a quarterly basis.

Airbnb continues to support the existing regulations as they provide strong levels of transparency around the size and scale of the STRA sector. For example, through this registration and data collection process there is empirical data to show that approximately two-thirds of homes being used for short-stay accommodation in the City of Hobart are the principal place of residence of the owner.⁶

⁵ Consumer, Building and Occupational Service, [Short Stay Accommodation Act data collection](#)

⁶ CBOS, [Report on Data Collection, Quarter 4, 2022](#), p. 8.'

Airbnb notes that suggestion in the Issues Paper of potential link between increases in short-term letting and low availability of rental properties, citing a study undertaken into the Hobart STRA market. As noted above, the overwhelming majority of the homes in question are the everyday residential homes of those who list them on STRA platforms. We also note that studies of this nature often utilise ‘scraped data’

Airbnb would also refer the Government to the recent review undertaken by the Queensland Government (as outlined in a preceding section) which clearly outlines the lack of connection between STRA and the challenges in the availability and affordability of housing. We note that this report undertaken by the University of Queensland arrived at these conclusions after undertaking robust regression analysis.

Short-term rental accommodation usage in Australia

Airbnb notes that holiday home ownership has long been a tradition for many regular Australians. Many Hosts place their property on our platform during times that they – or their family and friends – are not using the property themselves. During these times they are choosing to make use of platforms like Airbnb to make extra income to help make ends meet, pay for everyday expenses, or pay for the upkeep of their properties.

The vast majority of Hosts in Australia are everyday families who share just one listing (84%) and rent their space for just 3 nights a month, on average.⁷ The remaining Hosts with multiple property listings are often managing the listing on behalf of the property owner. For many Hosts, the income earned through hosting on platforms like Airbnb allows them to pay for everyday expenses, or the upkeep of their property. In a survey of Australian Hosts on Airbnb, 72 percent said they plan to use the money earned from hosting to help cover the rising costs of living⁸, and over a third said they host to make ends meet.⁹ Notably, over a quarter of Australian Hosts work in either education, healthcare, hospitality or the arts¹⁰, while over two-thirds are women¹¹ and more than a quarter are over the age of 60.¹²

For this reason, it is highly unlikely that many short-term rental accommodation properties would ever be placed into the long-term rental market, and instead, there is a need for greater flexibility in how everyday Australians can share their homes. There are myriad use-cases for short-term accommodation for both Hosts and guests and sharing a property for long-term rental in most cases does not allow for these circumstances.

⁷ Internal Airbnb data as at 1 January 2023.

⁸ Self-reported, based on 778 of Australian Host responses to an internal Airbnb ‘Homes Host’ survey conducted between 1 August 2022 - 5 July 2023.

⁹ Self-reported, based on 2587 of Australian Host responses to an internal Airbnb ‘Homes Host’ survey conducted between 1 August 2022 - 5 July 2023.

¹⁰ Self-reported, based on 2167 of Australian Host responses to an internal Airbnb ‘Homes Host’ survey conducted between 1 August 2022 - 5 July 2023.

¹¹ Self-reported, based on 2057 of Australian Host responses to an internal Airbnb ‘Homes Host’ survey conducted between 1 August 2022 - 5 July 2023 for self reported female Hosts.

¹² Self-reported, internal Airbnb data as at 1 January 2023.

For example, we know of essential workers (such as nurses and FIFO workers) who use short-term rental accommodation to be in close proximity to their workplaces when on night shift, and others who use short-term accommodation to be closer to medical facilities when seeking regular treatment or care, whether for themselves or vulnerable family members. We also know of tradespeople in the construction industry that utilise short-term accommodation to live whilst working on a project away from their primary home. The cost of staying in, and availability of, traditional accommodation during these short, but regular stays is prohibitive for many and platforms like Airbnb provide cost effective options that suit their particular needs. It goes without saying that sharing a property on the long-term rental market may not provide the necessary flexibility for owners who may have particular needs throughout the year.

It's also important to find ways to address the nation's glut of empty rooms, which the ABS estimates to be about 13 million¹³, as part of a holistic approach to the broader issue of housing affordability. As the cost of living continues to rise, sharing a spare room through [Airbnb Rooms](#) can help provide an additional source of income, or indeed the only source of income, whilst helping to address the nation's empty room problem. In 2022, nights stayed in private rooms on Airbnb in Australia have grown by nearly 50% from the previous year, indicating a desire from Hosts to share the underutilised spaces in their homes and generate extra income for their households¹⁴.

A [recent report](#) published by Arup, commissioned by Airbnb, stated that meaningful action to diversify housing typologies may be an effective path forward in the context of ensuring our urban environments are fit-for-purpose and responsive to the changing ways people are now living and working. It said that 'as workers and travellers are now seeking to use city spaces in multiple ways (including new forms of accommodation), planners may consider permanent, temporary and affordable housing, as well as adaptive reuse or short-term stay policies, to encourage housing offerings that meet a variety of needs across a diverse spectrum'.¹⁵ Such an approach would help to ensure the mix of housing options for citizens are appropriate in meeting their needs, whilst receptive to future trends.

As noted, Airbnb is a company with housing affordability and cost of living needs in our roots, and we want to play our part in proposing meaningful solutions that can help tackle current challenges. [Airbnb-friendly apartments](#) may be one of those solutions. Our program, recently launched in the United States, partners with building owners to help unlock hosting for tenants whose lease terms or building rules might have prevented them from sharing their homes. It may work within a build-to-rent model and delivers benefits to all stakeholders: For building owners, it's a unique selling point to attract renters who may be looking to find ways to keep up with rising living costs or subsidise their own rent. For tenants, it provides a degree of flexibility, particularly among those who plan to travel, save to buy their first home or who simply want to monetise their space to meet rising living costs. For local communities, there is the added benefit of travellers

¹³ Sydney Morning Herald, '[Australia has 13 million spare bedrooms. Is there a better use for them?](#)' 16 June 2022.

¹⁴ Airbnb internal data as at 1 January 2023, calendar year for 2022 compared to 2021.

¹⁵ '[Evolving urban destinations in Asia-Pacific](#)'; Arup, commissioned by Airbnb, June 2023, p.12.

staying in different parts of a city or region and spending their money in local shops and businesses.

With this in mind, any long-term housing strategy must be cognisant of the important role that short-term accommodation currently plays in Australia and the role it can play into the future. It is crucial to ensure there is a healthy mix of accommodation and housing types to suit the current and future needs of the population, as well as the contribution to the nation's economy. To put this into perspective, our contribution to the vibrant and diverse Australian community is outlined below.

Contribution of Airbnb to the Australian community

Our community of Hosts has a strong track record of growing the visitor economy in Australia by providing a range of accommodation options in more locations and across a variety of price points. In the 12 months ending 1 January 2023, our Hosts welcomed over 9 million guests to Airbnb listings across Australia.¹⁶ In this regard, Airbnb, and tourism generally, is playing a crucial role in Australia's economic recovery after two years of reduced mobility for domestic and international travellers.

Importantly, Airbnb has a large community of Hosts around Australia for whom sharing their home is now part of their lifestyle. The overwhelming majority of our Hosts on Airbnb are 'mum and dad' operators looking to supplement their income or subsidise their own travel, with many hit hard by the current cost of living pressures. In this way, the sharing economy helps build resilient communities where locals can create supplementary income, and robust economies that are supported by increased visitation and spending by Airbnb guests – often in areas that do not traditionally benefit from the tourist dollar.

In the 12 months to March 2023, Airbnb contributed \$13.6 billion (US\$9.5 billion) to Australia's Gross Domestic Product while guests on Airbnb spent \$12.3 billion (US\$8.6 billion) in the community and supported over 94,000 jobs.¹⁷

The home sharing economy is also supporting the growth of local businesses, ancillary services and therefore new local jobs – such as domestic cleaning, gardening and property management. Over one third of surveyed Hosts (37 percent) on Airbnb in Australia prefer to engage professional services to manage their listings and bookings.¹⁸ The economic activity created by Airbnb supports these businesses, including those in regional areas that might not otherwise benefit from tourism and increased visitation. Alongside jobs in restaurants, cafes, and retail

¹⁶ Internal Airbnb data as at 1 January 2023.

¹⁷ Oxford Economics 2023, (Forthcoming report) *The Economic Impact of Airbnb in APAC: An independent report by Oxford Economics*. Prices in 2022 figures.

¹⁸ Airbnb survey data. Survey conducted in January 2020 of 1,612 Hosts with listings on Airbnb in Australia.

shops, the combined value of wages paid to workers in these businesses across Australia in the 12 months to March 2022 was \$5.2 billion (US\$3.7 billion), according to Oxford Economics.¹⁹

In the context of ongoing rental and housing pressures throughout Australia, Airbnb is also playing a crucial role in helping people remain in their homes and communities by providing them with the ability to supplement their income or make use of the underutilised spaces in their homes. In a survey of Australian Hosts on Airbnb, almost three-quarters (72%) said they plan to use the money they earn by hosting to cover any heightened cost of living over the next 12 months.²⁰ In turn, these Hosts help drive economic growth and job creation, with many local businesses relying on the valuable tourism dollars spent by Airbnb guests.

Conclusion

Airbnb acknowledges and appreciates the Australian Government's ongoing action to help boost the overall supply of new and affordable housing, which ultimately serves as one of the most important long-term and strategic solutions in responding to the pressures in the housing market.

¹⁹ Oxford Economics 2023, *The Economic Impact of Airbnb in APAC: An independent report by Oxford Economics*. Prices in 2022 figures.

²⁰ Self-reported, based on 2681 of Australian Host responses to an internal Airbnb 'Homes Host' survey conducted between 1 August 2022 - 5 July 2023.